

# Meeting Minutes May 11, 2006

## Town of Los Altos Hills City Council Regular Meeting

Thursday, May 11, 2006 6:00 P.M.

Town Hall Council Chambers, 26379 Fremont Road

### 1. CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE

Mayor Kerr called the City Council Regular Meeting to order at 6:00 p.m. in the Council Chambers at Town Hall.

Present: Mayor Breene Kerr, Mayor Pro Tem Dean Warshawsky, Councilmember Craig A. T. Jones, Councilmember Jean Mordo and Councilmember Mike O'Malley

Absent: None

Staff: Acting City Manager/Planning Director Carl Cahill, City Attorney Steve Mattas, Administrative Services Director Sarah Ragsdale, Public Works Director/City Engineer Henry Louie and City Clerk Karen Jost

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by Mordo and passed unanimously to limit the length of time for public comments to two minutes.

### 2. APPOINTMENTS AND PRESENTATIONS

#### 2.1 Certificate of Appreciation for Pathways Clean-Up Earth Day Event – Bullis Charter School

Mayor Kerr introduced Bullis Charter School Principal Wanny Hersey and Student Body President Carolyn Lau. He acknowledged the efforts of the BCS student body to beautify the Town's pathways and pick-up litter on Earth Day. They succeeded in collecting over 900 pounds of refuse. The Mayor, on behalf of the Council, presented a proclamation to the recipients in recognition of their volunteer efforts.

### 3. PLANNING COMMISSION REPORT

Acting City Manager/Planning Director Carl Cahill reported on the May 4, 2006 Planning Commission Meeting. The Commission reviewed two site development applications, new standards for development on highly visible lots, and amendments to the basement ordinance. Cahill reviewed the site development applications with Council that included: Lands of Lund and Lands of Askari. Both applications would be forwarded to Council at their next meeting. Cahill noted that the zoning amendments would be forwarded to Council for their approval as public hearings at a future meeting.

#### 4. CONSENT CALENDAR

Items Removed: Item 4.5 (Warshawsky), Item 4.7 (Jones) and item 4.10 (O'Malley)

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by O'Malley and passed unanimously with Mayor Kerr abstaining from Item 4.4 to approve the remainder of the Consent Calendar specifically;

- 4.1 Approval of Minutes: Regular City Council Meeting April 27, 2006
- 4.2 Review of Disbursements: April 19, 2006 – May 3, 2006 \$242,774.75
- 4.3 Approval of Ordinance No.445 Amending Title 8 Building Regulations to Include Energy Efficiency Standards for New Single Family Homes
- 4.4 Approval of Ordinance No. 446 Amending the Zoning Development and Site Development Codes with Regard to Photovoltaic Power and Solar Thermal Energy Generation Facilities (Sections 10-1.226, 10-1.239, 10-1.247, 10-702, and 10.2.301(CEQA review: exempt pursuant to Section 15061(b)(3))
- 4.6 Notification of Fast Track Approval: Lands of Ferrari; Altamont Road, APN# 182-17-045 and 25860 Altamont Road (231-05-LLA); A Request for a Lot Line Adjustment. Appeal Deadline: May 18, 2006
- 4.8 Dedication of Right-of-Way; Lands of Allegra, 26721 Taaffee Road Resolution # 35-06
- 4.9 Award of Contract: Storm Drain Improvement at Corporation Yard Resolution # 36-06

Items Removed:

- 4.5 Notification of Fast Track Approval: Lands of Leung; 27168 Moody Court (33-06 ZP-SD); A Request for a Site Development Permit to Construct a 747 square foot Addition Over an Existing Carport (Maximum Height:25'). Appeal Deadline: May 18, 2006.

Mayor Pro Tem Warshawsky noted that the applicant had previously been required to intensify the screening at their property to mitigate the impact of their development. They had not complied with the condition and he questioned if this could be addressed at this time. Council concurred with Warshawsky's concern and noted that the landscaping had not been maintained.

Acting City Manager Cahill advised that staff would talk to the applicant and advise them of Council's concerns. He noted that if the landscaping had died or was not planted as

required, it would be a violation of their original site development permit conditions of approval. He suggested that if the applicant was not amenable to resolving the issue prior to the issuance of their building permit, he would advise Mayor Pro Tem Warshawsky before the appeal deadline of May 15, 2006.

MOTION SECONDED AND CARRIED: Moved by Warshawsky, seconded by Mordo and passed unanimously to approve the Notification of Fast Track: Lands of Leung.

4.7 Approval of Request from Los Altos Alliance For Youth/Los Altos  
Community Foundation for Honorary Sponsorship of GSA Parade

Councilmember Jones requested an update on the status of the item. Mayor Kerr reported that the City of Los Altos had approved the parade permit but was not participating as an honorary co-sponsor. Councilmember Mordo noted that the event was being sponsored by the Los Altos Community Foundation.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Mordo and passed unanimously to approve the request from the Los Altos Alliance for Youth/Los Altos Community Foundation for Honorary Sponsorship of the GSA parade.

4.10 Award of Contract: Fabricate Pedestrian Bridge at Paseo Del Roble

Councilmember O'Malley requested additional information on the location of the proposed bridge. Public Works Director/City Engineer Henry Louie identified the location as the pathway on Page Mill Road.

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Mordo and passed unanimously to award the contract to fabricate the Pedestrian Bridge at Page Mill Road. Resolution No. 37-06

5. UNFINISHED BUSINESS

5.1 Town Goals

5.1.1 Implementation of Strategic Conservation Goals

Mayor Kerr advised that the Environmental Initiatives Committee was continuing to work on the implementation of the Town's strategic conservation goals.

Councilmember Jones reported that the last piece of the multi-pronged solar initiative would be considered by Council in the near future. Cahill added that the Planning Commission had formed an Ad-Hoc Committee to work with Environmental Initiatives Committee Chair Peter Evans to review the proposed ordinance and the ordinance amendment was in its final stages of draft and would be scheduled for review by the Planning Commission in conjunction with the Initial Study and Mitigated Negative Declaration. Cahill expected the ordinance would be scheduled for Council consideration by the end of July.

Councilmember Jones spoke to the issue of raising the awareness of Town residents to the availability of single stream recycling. He suggested that the Council consider launching an educational effort that included a town-wide mailing and dissemination of information on the new service at the Town picnic. Jones added that it was his estimation that only 25% of the residents were participating in single stream recycling and he believed that for it to succeed it was critical to increase awareness of the service. Jones distributed a handout to Council that identified the key points that would be included in the public awareness campaign. He noted that the Environmental Initiatives Committee was monitoring the program to determine the net result of recycling in this format.

Council discussion ensued. Council concurred with Jones and agreed that the picnic would be a good venue to advertise the program. Council suggested that Los Altos Garbage Company have the special blue bins used for the program available at the picnic and information handouts be distributed at the picnic. Mayor Kerr reported that LAGCo was doing a mailer in response to Councilmember Jones request. Council consensus was to include an article on the single stream recycling in the next Newsletter and to send a postcard to residents at the end of summer if participation had not shown a marked increase.

#### 5.1.2 Bringing Public Education Back to the Hills

Mayor Kerr reported that Council had reported on the status of education in Los Altos Hills at the joint Los Altos Hills/Los Altos city council meeting held on May 8, 2006. Council was now waiting for a response from the Los Altos School District.

Councilmember Jones reported that an initial presentation of a preliminary review of the financial impact of the proposed redistricting had been made by a subcommittee of the Los Altos School District's Citizens Advisory Committee on Finance. They had suggested that there would be a relatively low fiscal impact to the District as a result of redistricting. Jones noted that this was one of the factors considered by the State and County when reviewing requests for redistricting. The final analysis will be presented to the Los Altos School District Board on June 5, 2006.

#### 5.2 Underground Project Status Report

Mayor Pro Tem Warshawsky reported that the Ad-Hoc Undergrounding Subcommittee was in the process of scheduling a joint meeting with the Standing Finance and Investment Committee to review financing options for a town-wide undergrounding effort.

#### 5.3 Update on General Plan Review

Councilmember O'Malley reported that the Ad-Hoc Committee General Plan Committee had been consistently meeting every two weeks. They have been assisted in the review process and the development of the update by consultant Leslie Hopper. He noted that Hopper was experienced with the preparation of a General Plan update. The Committee was focused on developing a consistent General Plan with each of the elements being drafted in the same format, style and clearly reflecting what is viable today. O'Malley suggested that the City Council consider a study session with the group to afford them the opportunity to review the draft with Council and assess the methodology employed by the Committee and offer their suggestions to the process. O'Malley noted that the Committee was not making any changes to the General Plan merely revising the format and updating the content.

Council discussed the timing of the study session. Council consensus was to schedule the General Plan Review discussion prior to the July 13, 2006 City Council meeting.

#### 5.4 Status of Town Pathways Projects (continued from 4/27/2006)

Public Works Director/City Engineer Henry Louie introduced this item to Council. He announced that the ground breaking ceremony for the dedication of the Moody Road pedestrian and bicycle pathway was scheduled for June 9<sup>th</sup> at 11a.m.

Louie provided an update on Town Pathways projects. In addition to the ongoing maintenance and repair of the town wide path system, Town staff had focused on four Capital Improvement Projects (CIP). Louie reviewed the status of each project that included: Robleda Road path between Wildcrest and Atherton Court; Moody Road Path Segment No. 1A between Francemont Avenue and Rhus Ridge Road; Moody Road Path Segment No. 1B between Rhus Ridge and El Monte Road and Foothill College; and Paseo Del Roble Pathway bridge replacement.

Louie expected the construction on the Robleda Path to begin in early August, 2006. Staff had received two bids for the Moody Road Path project. They were both considerably higher than the engineer's estimate and staff was reviewing their option to reject the bids and re-notice the project. He would advise Council of their decision.

Louie reviewed the reasons for the increase in construction costs for the project which he expected to be approximately double last year's estimates. He noted that the scope of the work had been modified based on the comments of the VTA and cost of materials had increased

Following a brief discussion, Council directed staff to look at all alternatives and possible avenues to mitigate increased costs if it appeared that construction costs would be higher on any of the other segments of the Moody Road project.

Mayor Pro Tem Warshawsky thanked Louie for his efforts. Louie explained that approximately 4.5 miles of new path had been constructed since 2001 and he expected an additional 6,500 square feet of pathway to be completed this year.

## 5.5 Town-Wide Tree Survey Report and Findings (continued from 4/27/2006)

Public Works Director/City Engineer Henry Louie introduced this item to Council. He explained that per the Council's direction a Town wide evaluation of trees along major roadways and "hot spots" in Town was conducted and Council had before them the final report prepared by Arbor Resources. The report had identified trees that presented an obvious, imminent threat of uprooting or falling large limbs. Residents whose trees had been identified as imminent threats to public safety had received notifications via the mail and had responded favorably to the Tree Maintenance Notices. Approximately 150 letters had been sent. Additional notices would be sent out in May to residents whose trees required pruning or limb removal and were identified by the arborist as "work that should be performed in the near future."

Louie advised that the report would be made available to the public for their review at Town Hall. He recommended that the Town-wide tree survey be conducted annually.

Councilmember Mordo queried how many complaints Town Hall staff had received regarding the survey and notices. Acting City Manager Cahill responded that he had only received one negative letter from a resident who believed the arborist had written the report to create work for his firm. Cahill explained that the resident was free to hire an arborist of their own choosing to perform the work.

Cahill reported that the proposed tree ordinance that would require the removal of Blue Gum Eucalyptus at the time of site development was moving through the review process at the Planning Commission and would be forwarded to Council in the near future. He added that the draft 2006-2007 Operating Budget included funding of \$75,000 for the removal of hazardous trees.

MOTION SECONDED AND CARRIED: Moved by Jones, seconded by Warshawsky and passed unanimously to accept the report prepared by David Babby, Arbor Resources, titled "Results from a Tree Survey within the Town of Los Altos Hills."

## 6. NEW BUSINESS

### 6.1 Proposed Ordinance Change for False Alarm Rating Period (continued from 4/27/2006)

Administrative Services Director Sarah Ragsdale introduced this item to Council. She explained that the proposed ordinance would amend the Municipal Code with respect to the false alarm rating period. The current rating period was for twelve months and began at the time of the first false alarm occurrence on the property. The schedule created a different anniversary date for each property and made administration of the program difficult. The proposed amendment would have the false alarm rating period be the fiscal year for all properties.

OPENED PUBLIC COMMENT

## CLOSED PUBLIC COMMENT

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by O'Malley and passed unanimously to waive reading and introduce the proposed ordinance amendment to the false alarm rating period.

### 7. REPORTS FROM COMMITTEES, SUB-COMMITTEES, AND COUNCILMEMBERS ON OUTSIDE AGENCIES

#### 7.1 Presentation on Charter Cities – Jim Lai, Finance and Investment Committee (continued from 4/27/2006)

Jim Lai, Finance and Investment Committee member addressed Council. He advised that his presentation to Council on Charter Cities was for informational purposes. The concept was first broached by Finance and Investment Committee member Frank Lloyd several years ago and was recently revisited by the FIC.

Lai proceeded with a PowerPoint presentation. He explained that the Committee had only focused on the Charter City provision that granted the City the ability to collect a property transfer tax. They had not reviewed the other provisions available to Charter Cities; i.e. election of Mayor, district elections, and increase in number of council representatives.

Lai's presentation included: a review of the options for a documentary transfer tax with estimated additional revenue to the Town of \$1 million; additional benefits of a Charter; Charter Cities in California that included Palo Alto, Mountain View, Sunnyvale and Santa Clara; process of forming a Charter City; and the next steps if Council wished to move forward with the Charter City inquiry.

In conclusion, Lai noted that by becoming a Charter City, Los Altos Hills would generate up to a million dollars additional revenue annually and with the additional TEA revenues, could potentially finance major infrastructure projects.

Council thanked Lai for his presentation. Council discussion ensued. Councilmember Jones noted that the only provision that was attractive in the proposal was the potential revenue source for major infrastructure projects and the revenue flexibility offered by a Charter. He suggested that the Town's status quo regarding elected officials and voting districts be maintained. Councilmember O'Malley thanked Lai for his presentation. O'Malley noted that a Charter City was free to set the amount of the property transfer tax. Mordo noted that the Town was unique with its limited source for revenue and encouraged the Council to look seriously at the concept of becoming a Charter City. He suggested that it would provide a permanent revenue source for potential expenditures for sewer and undergrounding. Council concurred that it would be important to link the reason for becoming a Charter City to infrastructure projects and noted that it was a financing mechanism that warranted additional review.

## 7.2 Consideration of Community Relations Committee Requests: Volunteer Pins, Mixers at Town Hall, Final 50<sup>th</sup> Gala Budget

John Swan, Community Relations Committee addressed Council. Council had before them a proposal from the Committee for the use of the Town Hall facility for Community Mixers. Swan reviewed the proposal with Council that called for the use of Town Hall several times each year by civic organizations including Hills2000, Civic Association and Bullis Charter School Supporters to discuss issues that affect the Los Altos Hills community. The fiscal impact of the proposal was minimal.

Council queried how the topics and organizations would be screened for the sponsored mixers. Swan acknowledged that the proposal was conceptual and had not been refined. Following a brief discussion, Council consensus was to request the Community Relations Committee to return with a more specific request. Council offered that there was currently a policy in place for use of the Town Hall facility.

Roger Burnell, Community Relations Committee, distributed a report to Council titled "the 50<sup>th</sup> Anniversary Gala Dinner/Dance Celebration" and a draft 50<sup>th</sup> anniversary budget. He reviewed his reports with Council and noted that a final budget would be forthcoming. Burnell's expectation was that the net excess expenses over budget would reflect a balance of zero in the final version of the budget.

Roger Burnell reviewed the proposal for volunteer recognition pins with Council. Pins would be awarded to volunteers after one year of continuous service towards a resident's term of volunteer service. To initialize the program, pins would be granted retroactively to persons serving more than one year since January 1, 2001 and would be available at the Town picnic and at the Volunteer Dinner.

**MOTION SECONDED AND CARRIED:** Moved by Jones, seconded by Mordo and passed unanimously to approve the expenditure for the volunteer pins.

Row Woolsey, Community Relations Committee Chair, provided a status report to Council on the annual Town picnic. This year, the picnic would continue the 50<sup>th</sup> anniversary theme and each attending adult resident would receive a beer mug with the specially designed 50<sup>th</sup> anniversary logo as a memento of the event. The cost of the mugs was \$1.50 each.

## 7.3 Progress Report on City Manager Search – Councilmember Jones (continued from 4/27/2006)

Councilmember Jones provided an overview on the City Manager Search. He reported that the process for the City Manager search had been initiated by the Council Subcommittee of himself and Mordo. The search firm had been authorized to advertise the position and twenty two candidates had expressed an interest. The response was low but not unexpected given the size of the Town and the high cost of living expenses in the area. The search firm had advised that the quality of the candidates was good. The next step in the process included a series of screening stages of the candidates. Candidates



would be interviewed by the search firm; the narrowed field would be reviewed by Jones and Mordo with the final candidate interviews being conducted by the Council as a whole. Jones queried the number of candidates the Council would like to interview. Council consensus was to interview two or three candidates to be determined by the Council subcommittee.

## COUNCILMEMBER REPORTS

Councilmember Mordo reported that the Finance and Investment Committee had received the report that was commissioned by the Council to review the Town's exposure regarding retirement benefits (Actuarial Study). The Finance and Investment Committee had received the report and Mordo offered that the numbers suggested there was significant exposure created by the unfunded/unrecognized liability. He reviewed the findings with Council. Mordo noted that the increase in health costs and the fact that there had been no funding for retirement health benefits were factors in the exposure. The Finance and Investment Committee was reviewing the "next steps" that included: a review of the options on continuing or modifying the retirement benefit; and consideration of funding the benefit liability. Mordo offered that the FIC would be forwarding a complete report with the supporting financial data to the Council in the future.

### 8. STAFF REPORTS

8.1 City Manager

8.2 City Attorney

8.3 City Clerk

8.3.1 Report on Council Correspondence

### 9. COUNCIL-INITIATED ITEMS

9.1 Proposed Solar Expansion Project for Town Hall Center and Participation in Local Government Financial Incentive Energy Fitness Retrofit Program ("Partnership Program") – Mayor Kerr

Mayor Kerr reviewed his proposal with Council to expand the solar system at Town Hall by 10kW-15kW to accommodate the additional electrical consumption demand to service the pending installation of the new cell tower and maintain the strategy to create 2/3 of the electrical usage of the Town Hall facility by solar. He offered that the Town would be receiving lease funds from Cingular Wireless for the cell tower on the site. Cingular had also agreed to co-metering the tower on the Town's electrical system and paying fees for electrical service.

Kerr requested that Council consider using the lease payments for the cell tower for the expansion project. He suggested that a feasibility study might be appropriate to determine the cost, type of solar expansion and size of the expansion.

Council discussion ensued. Councilmember Jones supported the expansion project conceptually but requested additional data on the proposal. He considered the project to be self funding.

Acting City Manager/Planning Director Carl Cahill questioned if Council was directing an analysis of both systems. The response was affirmative.

Mayor Pro Tem Warshawsky offered that he would like to review the data on the current solar system before incurring additional costs for an expansion. He questioned what the financial returns have been on the initial investment.

Cahill explained the process of co-metering the cell tower. Cingular would pay a pro-rated share of the Town Hall utility bill based on their performance from other sites. The Town had the right to measure the usage and charge appropriately.

Kerr added that the cell phone tower on the property could potentially have the affect of increasing the electrical consumption on the property by 20% or more and if the Council was to meet their adopted strategic energy conservation goals, they should consider methods to reduce/mitigate the energy consumption on the Town facility.

**PASSED BY CONSENSUS OF THE COUNCIL:** To direct staff to develop a proposal(s) and cost estimates for a 10kW and 15kW solar expansion and prepare an economic report on the existing Town Hall solar system.

Mayor Kerr advised that the Council would not consider action on the Partnership Program.

- Consideration of allocation of rental income from the Verizon Wireless lease agreement at Westwind Barn to a dedicated capital improvement fund for Westwind Barn.

Mayor Pro Tem Warshawsky and Councilmember O'Malley recused themselves from consideration of this proposal and stepped down from the dais.

City Attorney Steve Mattas advised Council that they could only commit funding through their present budget power. Unless they were to encumber the funds, it would be subject to change by a subsequent Council.

Mayor Kerr explained that he was proposing that the new revenue stream from the Verizon lease be deposited in a capital account that would eventually be used for restoration purposes at the Barn. This could be used as matching funds for privately raised funds. Kerr noted that the funds should not be used for yearly maintenance and repair expenditures.

Councilmember Mordo concurred and noted that he had previously suggested a similar approach.

Councilmember Jones suggested that the Council consider agendaizing a discussion of launching a schedule for the planning cycle for the Master Plan for the Barn.

MOTION SECONDED AND CARRIED: Moved by Mordo, seconded by Jones and passed unanimously to direct the staff in preparation of the fiscal year budget documents to reflect the policy of the Council that funding that arises from the Verizon lease at Westwind Barn allocated into an account. Appropriation of the funds from the account would be determined at a later date. (Mayor Pro Tem Warshawsky and Councilmember O'Malley abstained from consideration of the item)

#### 10. PRESENTATIONS FROM THE FLOOR

Eric Clow, Central Drive, noted that the Leungs had not met the spirit of their landscaping agreement for their site development approval and he urged the Town Staff to ensure that the applicants provided better screening for their current application.

#### 11. PUBLIC HEARINGS

##### 11.1 Introduction of an Ordinance to Amend the Zoning and Site Development Codes with Regard to Effective Date, Appeal, and Council Review of Actions for Zoning and Site Development Permits (Sections 10-1.1108-1110, 10-2.1305, and 10-2.1313) (FIRST READING)

Acting City Manager/Planning Director Carl Cahill introduced this item to Council. He explained that the proposed amendments had been reviewed by the Planning Commission at their February 16 and April 6, 2006 meetings and had unanimously voted to recommend approval of the ordinance amendments. The purpose of the amendments was to reconcile existing discrepancies in the Town's Municipal Code with regard to the approval and appeal process for Zoning and Site Development permits, Variances, Conditional Use Permits, Conditional Development Permits and Fast Track project approvals.

Cahill reviewed the key elements of the proposed amendments which included: the appeal period, effective date, and Council review of action.

OPENED PUBLIC HEARING  
CLOSED PUBLIC HEARING

MOTION SECONDED AND CARRIED: Moved by O'Malley, seconded by Mordo and passed unanimously to waive reading and introduce the Ordinance to Amend the Zoning and Site Development Codes with regard to effective date, appeal, and Council review of actions for Zoning and Site Development Permits (Sections 10-1.1108-1110, 10-2.1305, and 10-2.1313)

Council adjourned to Closed Session at 8:45 p.m.

12. CLOSED SESSION

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(c)

Initiation of Litigation: One Case

CLOSED SESSION: CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION

Pursuant to Government Code Section 54956.9(b)

Significant Exposure to Litigation: One Case

Councilmember O'Malley recused himself from consideration of the item.

Council Reconvened to Open Session at 9:15 p.m.

Report out on Closed Session items: No action was taken.

13. ADJOURNMENT

There being no further business, the meeting was adjourned by consensus of the City Council at 9:15 p.m.

Respectfully submitted,

Karen Jost  
City Clerk

The May 11, 2006 City Council meeting minutes were approved as presented at the June 8, 2006 Regular City Council meeting.